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SIPDIS  
BAGHDAD FOR SCOTT R. FAGAN  
POL-MIL

E.O. 12958: N/A

TAGS: ETTC KOMC I2

SUBJECT: BLUE LANTERN LEVEL 3: BONA FIDES INQUIRY  
INVOLVING PARTIES TO TECHNICAL ASSISTANCE AGREEMENT (TAA)  
0235-08F

REF: BLUE LANTERN GUIDEBOOK 2006

I1. This is an Action Request. See paragraphs 2-4.

I2. Reason for request: The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Post's assistance in conducting a bona fides check on The Olive Group, Al Mahoo for Telecom Services, and Al Wadi Al Kabeer Company Ltd. Before approval of the proposed amendment to Technical Assistance Agreement TAA-0235-08F, which adds the sublicensees as parties, Post is requested to establish these companies' bona fides. Post is requested to complete this Blue Lantern inquiry within 30 days. Lack of response to a Blue Lantern inquiry will affect pending and future applications involving parties to this Agreement.

I3. Action: The Department requests that Post make inquiries with the Government of Iraq, Ministry of Defense (MOD) to confirm the bona fides of The Olive Group, Al Mahoo for Telecom Services, and Al Wadi Al Kabeer company Ltd. on the proposed amendment. The following questions are provided as guidance:

--Does the company have proper supporting documentation, including a contract with the Iraq MOD for inclusion on the proposed amendment?

--Will the company be handling or storing United States Munitions List (USML) items listed in the agreement? If so, does it have secure facilities and proper accounting and security procedures for handling these sensitive USML items?

--When was the company established and who are its principals? How many and what types of employees (program managers, service technicians, etc.) does the company have? What process was used to vet them for these sensitive roles?

--Does the company appear in Iraqi business directories? Does the company have a website?

--What is the nature of its business -- what types of items does it handle, and does it serve as a broker?

--What types of organizations are among its typical customers and where are the customers located?

--Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfers and re-exports?

Finally, Post is asked to assess whether each company appears to be a reliable recipient of USML items.

End action.

#### 14. Background and Relevant Details Concerning TAA-0235-08F:

The original agreement (TAA-0235-08) approved under "Operation Iraqi Freedom" on 6 February 2008, covers the permanent export of unclassified, Significant Military Equipment (SME) technical data, hardware, and defense services related to the AN/VRC-series SINCGARS Radio and associated equipment for the Iraq MOD. It was intended to permit the U.S. Applicant to collaborate with other parties to this agreement to provide the Iraq MOD with operation, installation, transportation, optimization, use, maintenance support and training related to the defense articles associated with the agreement.

Pursuant to Section 36(c) of the Arms Export Control Act (AECA) and Section 123.15(a)(1) of the International Traffic in Arms Regulations (ITAR), certification was provided to the Congress prior to granting approval of the transaction since the export of SME sold under contract exceeded USD \$50,000,000 to, Iraq, a country that is not a member country of the North Atlantic Treaty Organization (NATO), Australia, Japan or New Zealand. Now, following Congressional approval of the original Agreement and five subsequent amendments, Amendment F, seeks to expand the scope of the Agreement and increase its value. The amendment requests to add the Olive Group, an entity that is registered with PM/DTCC, as well as the two unfamiliar Iraqi parties, named above.

#### **U.S. APPLICANT:**

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#### **FOREIGN LICENSEE:**

Gulf Supplies & Commercial Services (GSCS)  
Hamdan Street  
Al Fardan Building  
Floor #01  
Abu Dhabi  
United Arab Emirates

#### **FOREIGN SUBLICENSEES:**

The Olive Group  
PX Road Extension  
International Zone  
Baghdad  
Iraq

Al Mahoo Co. for Telecom Services, Ltd.  
District 929, St. 15, Building 16  
Arrasat  
Baghdad  
Iraq

Al Wadi Al Kabeer Company Ltd.  
14 of Ramadham  
Al-Mansour  
Baghdad  
Iraq

#### **FOREIGN END-USER:**

Iraqi Air Force  
TAJI Air Base Iraq  
Headquarters at Iraq

Ministry of Defense  
Baghdad International Airport  
Baghdad  
Iraq

¶5. Purpose:

The Olive Group is a registered security protection agency that will provide security protection, translators and transportation to the ITT team in Iraq. These services will be provided in any areas where ITT personnel may need to operate in Iraq.

Al-Mahoo Co. for Telecom Services, Ltd. will provide labor personnel for various tasks including equipment installation, interpreters and other skilled positions to assist the ITT team with operations in Iraq.

Al-Wadi Al-Kabeer Company will also provide labor personnel for various tasks including equipment installation, interpreters, welders, and other skilled positions to assist the ITT team in Iraq.

¶6. Submitted in support of the license application were the following documents (PM/DTCC will fax to Post upon request):

-- Copy of original TAA and various letters between ITT and PM/DDTC concerning amendments between January 2008 and 28 July 2009.

¶7. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. POC is Rachael-Therese S. Joubert-Lin, Phone: 202-663-2950; Email: JoubertLinRS@state.gov; SIPRNET: JoubertLinRS@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file at [http://www.intelink.sgov.gov/wiki/Blue\\_Lantern\\_End-Use\\_Monitoring\\_Program](http://www.intelink.sgov.gov/wiki/Blue_Lantern_End-Use_Monitoring_Program).

¶8. Department is grateful for Post's assistance in this matter.  
CLINTON